

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF KENTUCKY FRONTIER GAS,)
LLC D/B/A BELFRY GAS COMPANY, INC.) CASE NO. 2010-00463

ORDER

On October 11, 1993, in Case No. 1993-00111, the Commission approved rates for Belfry Gas Company, Inc. ("Belfry") and provided for their further adjustment in accordance with Belfry's Gas Cost Adjustment ("GCA") clause.¹

On December 1, 2010, Belfry filed its GCA to be effective January 1, 2011.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Belfry's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Belfry's notice sets out an Expected Gas Cost ("EGC") of \$5.8029 per Mcf, a decrease of \$.7263 per Mcf from its prior EGC of \$6.5292 per Mcf.
3. Belfry's notice sets out no Refund Adjustment.
4. Belfry's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0416) per Mcf. Belfry did not use the \$6.1429 per Mcf "EGC in effect for month" in

¹ Case No. 1993-00111, Adjustment of Rates of Belfry Gas Company, Incorporated and for Authority to Incur Additional Indebtedness (Ky. PSC Oct. 11, 1993).

calculating the monthly cost differences for July, August, and September 2010. Correcting this produces a current AA of (\$.0226) per Mcf. Belfry's total AA is \$.5159 per Mcf, which is an increase of \$.6848 per Mcf from its previous total AA of (\$.1689) per Mcf.

5. Belfry's notice sets out no Balance Adjustment.

6. Belfry's GCA is \$6.3188 per Mcf, which is a decrease of \$.0415 per Mcf from its previous rate of \$6.3603 per Mcf.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Belfry on and after January 1, 2011.

IT IS THEREFORE ORDERED that:

1. Belfry's proposed rates are denied.

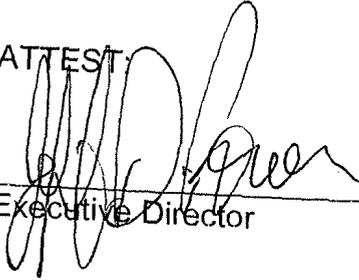
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after January 1, 2011.

3. Within 20 days of the date of this Order, Belfry shall file with the Commission its revised tariff sheets setting out the rates authorized herein, reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED *R*
DEC 16 2010
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST



Executive Director

Case No. 2010-00463

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00463 DATED **DEC 16 2010**

The following rates and charges are prescribed for the customers served by Belfry Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RETAIL RATES:

Monthly usage

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cubic feet (Minimum Bill)	\$4.2667	\$6.3188	\$10.5855
Over 1,000 cubic feet	\$2.7182	\$6.3188	\$ 9.0370

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